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# FOREIGN POLICY BULLETIN

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## WILL RETENTION OF WAR-TIME BASES GUARANTEE U.S. SECURITY?

A HEATED debate in the Iceland Parliament on September 22 over a proposed agreement which would allow continued United States use of the air base at Keflavik calls new attention to our efforts to secure world-wide military bases. On September 19, shortly after returning from a six-week 38,000-mile inspection tour in the Pacific, a five-member delegation of the House Military Affairs Committee expressed the conviction that the United States must without delay ring the Pacific with strong bases in striking distance of Russia. Less than three weeks previously the fifth annual report of the Special Senate Committee to Investigate the National Defense Program sharply attacked the administration for "abandoning overseas bases acquired during the war at great cost in lives and dollars." Since such charges are effective in winning votes, they will doubtless be often repeated by candidates of both parties until the November elections. Far more than in election is at stake, however, so these charges should be weighed with unusual care.

U.S. BASES RING THE PACIFIC. Is it true, as the Senate Committee declared, that the War, Navy and State Departments have failed to use "the full weight of our bargaining power" to retain bases acquired during the war? The record does not justify such an accusation. As yet we have not even placed under trusteeship the Pacific islands taken from the Japanese, although such a step would have proved great help in inaugurating the United Nations trusteeship system. According to a report of September 23 the Army and Navy still seek to retain all the former Japanese mandates under complete American sovereignty. Senator Warren G. Magnuson, Democrat of Washington, did state on August 29 that the decision had been made to offer the islands for United Nations supervision at the forthcoming

meeting of the General Assembly, but Lincoln White, spokesman for the State Department, declared the same afternoon that the government did not intend to submit a trusteeship agreement to the Assembly. In any case it is probable that the trusteeship agreement, whenever presented, will place all the islands under sole American administration, and will designate certain "strategic areas" in which the United Nations will be denied the right of inspection.

Nor does the administration show signs of laxity elsewhere in the Pacific. For many months it has been negotiating to retain the wartime base at Manus, largest of the islands in the Admiralties which were mandated to Australia. When the American base in the Galapagos islands was turned back to the Government of Ecuador on July 1, Lieutenant General Willis Crittenberger, commander of the Panama Canal Department, pointed out that it had been agreed that the United States could maintain Army technicians there to train Ecuadoreans in order that the base might "be conserved in serviceable condition against any condition whatsoever." In Panama our efforts to retain some of our 131 wartime bases more than a year after the end of the war, aroused the Panama Assembly to approve unanimously on September 2 a resolution calling on the United States to relinquish all the bases immediately. Ten days later a joint statement of the United States and Panamanian Governments announced that the United States in recent weeks had already returned 71 defense sites and was preparing to return 27 more at once, and that the two Governments would consult "on the most effective means for assuring the defense of the Panama Canal." On the other side of the Pacific the newly independent Philippine Government, according to a statement of Assistant

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Secretary of War Howard C. Petersen on September 19, is about to conclude an agreement granting us naval and military bases, including bases for long-range bombers. A report of September 3 suggests that the United States may convert the Alaskan base at Adak into a stronghold to rival Pearl Harbor.

**BASES SOUGHT IN ATLANTIC.** In the Atlantic, where we already have ninety-nine year leases on bases in eight British possessions, our efforts in Iceland and the Azores also refute the charge that we are failing to use the full weight of our bargaining power. On August 16, while two American negotiators in Lisbon were renewing our efforts to acquire a long-term lease on a military air base in the Azores, eight United States warships appeared at the Portuguese capitol on a "good-will" visit. Almost a year ago the United States opened negotiations to acquire long-term leases on certain of our war-time bases in Iceland, which is on the direct air route between New York and Moscow. Unofficial Russian protests, however, placed the small new republic in a difficult position. On September 20 the State Department announced an agreement, subject to approval by Iceland's parliament, to relinquish the bases and withdraw American military and naval personnel. The United States, however, would have the right to maintain the personnel necessary for use of the Keflavik airport "by aircraft operated by or on behalf of the Government of the United States

in connection with the fulfillment of United States obligations to maintain control agencies in Germany." While Iceland Communists complained that the agreement provides for an American base in disguise, the Reykjavik Trade Union Council called a 24-hour protest strike beginning at noon on September 23.

Secretary Wallace in his letter of July 23 to President Truman charged that certain United States actions, notably our "effort to secure air bases spread over half the globe from which the other half of the globe can be bombed . . . must make it look to the rest of the world as if we were only paying lip service to peace at the conference table." If it is true that national security in the atomic age is dependent upon international political agreement rather than unilateral military action, our policy on bases does appear to lack realism. It certainly is a startling contrast to President Roosevelt's war-time dream of United Nations control over a world-wide system of international naval and air strongholds. The deterioration of our relations with Russia since the end of the war, however, poses for our policy-makers the grave dilemma of depending on the United Nations for security and running the risk of its failure, or of ringing the world with bases of our own and running the risk of thereby weakening the United Nations beyond repair.

VERNON MCKAY

## U.S. PROPOSES INDUSTRIAL AND LAND REFORMS IN GERMANY

It would be unfortunate if Mr. Wallace's statement shortly after his resignation on September 20 that he considered it his "holy duty" to fight for peace, should leave either the American people or the people of other countries under the misapprehension that all those who do not see eye to eye with Mr. Wallace on foreign affairs are necessarily war-mongers. The more one studies Mr. Wallace's Madison Square Garden speech, in conjunction with his July 23 letter to the President, the more it becomes clear that the fundamental difference between Wallace and Byrnes is not in the objective each is seeking to achieve—which is an understanding with Russia—but in the methods by which each proposes to achieve this objective. It is in an effort to devise workable methods which would win the support of the majority of the American people that the far-reaching debate on foreign policy unleashed by the Wallace-Truman episode should be pitched, if it is to clarify rather than confuse public opinion.

**CONSERVATIVE TREND IN GERMANY.** Meanwhile in Germany which, in spite of peripheral disturbances in the Mediterranean, remains the focal point of Allied controversies about the future of Europe, some of the major problems confronting American policy-makers are being faced with new

realism. Mr. Byrnes' Stuttgart suggestion for reconsideration of Germany's border with Poland brought a strong reply on September 16 from Mr. Molotov, who declared that this border had been fixed beyond the point of further discussion. If it had been the purpose of Mr. Byrnes, as some have assumed, to bring an unequivocal statement from Moscow concerning the retention of German territory by Poland, then this purpose has been achieved. It was obviously difficult for the Soviet government to satisfy both the national aspirations of the Poles and those of the Germans. For the time being, at least, the Soviet government appears to have concentrated on the immediate task of cementing the Slav bloc along its borders, which would have been seriously weakened by concessions to Germany at Poland's expense. This decision, however, marks a setback for the German Communists, whose strongest talking-point had been the promise that Russia would support the return of territory in the east to a Germany unified under Communist control. Already before Molotov had unequivocally seconded Warsaw's views concerning the German-Polish border, elections held in the four zones of Germany during September had revealed an unexpectedly strong trend toward conservative as opposed to left-

ist groups. Even in the Russian zone, where the victorious Socialist Unity party composed of left-wing Socialists and Communists had received strong Russian backing, the conservatives had registered surprising strength at the polls.

**SOCIALISM IN U.S. ZONE.** This trend poses a new problem for the United States. Hitherto a number of American advisers had been urging Washington to support the Social Democrats, whom they consider the most promising element for building democracy in Germany. Had the Western powers adopted this course at the outset, our relations with the Germans, as well as with Britain and Russia, might have developed along markedly different lines. Genuine cooperation with the Social Democrats, however, would have required measures of socialization which the United States was not at that time prepared to adopt—with the result that the Russians took the initiative in altering the social structure in their zone by depriving the Junkers of their estates and establishing strict administrative controls over the operations of large-scale industries. Now, however, the United States has announced a far-reaching twofold program which it is planning to carry out in the American zone after having failed to obtain British cooperation. First, the Military Government will have authority to break up German cartels, which had concentrated huge power in the hands of a few industrial and financial leaders, most of whom had favored a policy of militant expansion for Germany. Second, all estates of 250 acres or over will be broken up into small holdings. Under this program which, unlike that of the Russians, provides for compensation of dispossessed owners, it is estimated that 725,000 acres owned by 324 individuals as well as by municipalities, public corporations and church organizations, will be distributed among small owners.

These measures required a difficult decision on the part of the United States with its prevailing belief in the desirability for continuance of free enterprise in industry and agriculture. They indicate growing realization in Washington that the situation in Germany, and in other areas of the continent as well, is not comparable to that in the United States, and calls for a different approach if we are not to lose German support to Russia by default. They also show that the goal set by Mr. Byrnes in his Stuttgart address—the establishment in the near future of a neutral “democratic” German government—is not in sight, at least not until the success of the new program of socialization has been assured.

Moreover, it is entirely possible that the inauguration of this program will arouse the resistance of conservatives, and will force the United States to undertake political as well as economic intervention in the American zone. These developments may make it more easy for us to understand why the Russians had been unwilling to see Germany unified until its social structure and philosophy of life have been altered in such a way as to remove the threat of military resurgence; and may encourage the British Labor government, which has so far tended to govern its zone on the pattern of colonial administration, to follow our example. Should this prove to be the case, the discussions about the future of Germany which have frequently complicated the work of the Allied Control Council in Berlin may have served a useful purpose by helping to bridge the gap between the views of Russia and of the Western powers.

VERA MICHELES DEAN

(The second in a series of articles on Germany in postwar Europe.)

## ANNOUNCEMENT

On September first all three FPA publications—*Foreign Policy Bulletin*, *Foreign Policy Reports*, and *Headline Books*—were placed under the direction of Mrs. Dean, who has been named Director of Publications. Thomas K. Ford has been appointed editor of *Headline Books*. Mr. Ford received his A.B. at the University of Minnesota in 1933, and his M.A. in international law and relations at Columbia University in 1935. For seven years he served as editorial writer on the *St. Paul Pioneer and Dispatch* specializing on international affairs and problems of American foreign policy. From 1943 to 1946 he was assistant director of the Historical Service Board of the American Historical Association which prepared and, in cooperation with the War Department, published a series of pamphlets for use in discussion of current problems by the armed forces.

Miss Augusta Shemin has been appointed Assistant Editor of research publications, succeeding Miss Helen Terry, who has left the FPA to become assistant editor of a new magazine published by the Social Service Division of the United Office and Professional Workers of America, CIO.

*A Short History of Eritrea*, by Stephen H. Longrigg. Oxford, Clarendon Press, 1945. \$3.50

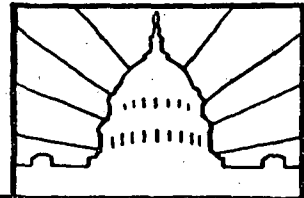
Britain's Chief Administrator in Eritrea from 1942 to 1944, the author analyzes present prospects and future needs of the territory mainly in the light of its historical background. He proposes a tripartite dismemberment of the former Italian colony.

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# Washington News Letter



## U.S. POLICY NEEDS RESHAPING TO AVERT CIVIL WAR IN GREECE

The decision of the Security Council on September 20 to drop the Ukrainian charges that the Greek government, with the support of British troops, is guilty of aggressive actions toward Albania represents a diplomatic victory for Britain in its struggle against Russia for influence in Greece. The bitter rivalry between Moscow and London which gave rise to the protracted and acrimonious debate at Lake Success, however, continues unabated, and Washington is aware that it cannot remain aloof from this conflict in the eastern Mediterranean.

During the past week Herschel V. Johnson, acting American representative on the Security Council, called for a special investigation of the Greek case. This inquiry, Mr. Johnson suggested, should consider not only frontier incidents between Greece and Albania—as desired by the pro-Soviet members of the Council—but should study the reported clashes between Greece and the pro-Russian régimes of Yugoslavia and Bulgaria. Although Mr. Johnson's advisers in the State Department were not very hopeful that this proposed investigation would secure Russia's approval, they nevertheless decided to suggest such a survey, in the belief that an effort to establish the facts might dispel at least some of the British and Russian charges and counter-charges which have beclouded discussion of the Greek issue. When this proposal was rejected on September 20, as a result of the veto by the Russian delegate, the United States was obliged to recognize that it had failed to find a new approach to the Greek problem.

**DIRECT INTERVENTION REJECTED.** The principal concern of the United States is to help the Greeks avoid civil war between extremists on the Right and Left, since such a conflict could not fail to bring Anglo-Russian rivalry to a climax, precipitating a serious international crisis. The urgency of this problem is underlined by current reports of extensive military operations on the part of the pro-royalist troops of the Greek government against "rebel bands" under Communist leadership in the mountainous areas of northern Greece.

Yet in spite of the seriousness of this situation Washington has not felt in a position to take any step which might curb the independence of the present Greek government, particularly since this government was formed on the basis of national elections, held on March 31 under the supervision of a body of inter-Allied observers which included 692 Americans. This official view prevented the United States from assuming a major rôle in con-

nection with the plebiscite, held on September 1, which indicated that 65 to 70 per cent of the voters favored the return of King George II. On this occasion, at the invitation of the Greek government, the State Department merely designated 51 civilians and 25 army personnel to help in revising electoral lists and to check polling practices, and took the position that all questions arising in connection with the return of the king, who is expected to arrive in Athens this week, would be settled by the Greeks themselves. The United States is now awaiting the formation of the new cabinet before reviewing its policy toward Greece.

**PRECARIOUS INTERNATIONAL BALANCE.** The high degree of tension between Russia and Britain in the Balkans is undoubtedly the major factor explaining the reluctance of the United States to call for rapid and far-reaching political changes within Greece. This does not mean that Washington is merely following London's decision to "hold the line" against Russia in this area, but rather that the United States is convinced that strategic and economic interests of its own require support of Britain's policy.

Nevertheless, the State Department realizes that it cannot halt Soviet expansion merely by joining Britain in supporting an extreme Rightist government in Athens, assuming such a régime is formed by King George. On the basis of reports received from Greece the State Department is convinced that many of the voters who approved the monarchy did so not because they were pro-royalist but because they considered the King the only possible bulwark against Communism. Neither can the United States help to check the growth of pro-Russian forces in Greece merely by staging impressive displays of naval power in Aegean waters. Instead, Washington believes it must use its economic power to improve conditions in Greece if it is to lessen the political cleavage between Left and Right. As yet, however, few steps taken in the direction of aiding reconstruction have proved effective. In addition to lending an adviser on financial affairs to the Greek government, the United States has granted Greece 25 million dollar loan through the Export-Import Bank. Thus far this loan has hardly been tapped, partly because Greece sorely lacks technical personnel for administering the loan, and partly because Athens has had eight different governments since liberation in the autumn of 1944.

WINIFRED N. HADSEL